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KYRGYZ REPUBLIC TRANSITION INITIATIVE

ANNUAL PERFORMANCE REPORT
MAY 7, 2010 – MAY 6, 2011



June 6, 2011

This report was produced for review by the United States Agency for International Development (USAID). It was prepared by International Resources Group (IRG).

COVER PHOTO: In Osh, a number of community-driven park rehabilitation activities are coming to fruition as Kyrgyzstan approaches the anniversary of the events of June 2010. Unified under a common slogan, these activities celebrate Renewal across the country: building trust, strengthening partnerships, and bridging the north and the south and the communities within. At the opening of the Salieva community park on June 1, children have a greater sense of faith in a safer and more peaceful future for their country.

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I. PROGRAM DESCRIPTION

In May 2010, USAID's Office of Transition Initiatives (OTI) launched a program in the Kyrgyz Republic in response to the country's political crisis. Popular demonstrations in April had led to the ouster of former President Kurmanbek Bakiyev and the creation of a "Provisional Government" comprised of an ad-hoc coalition of opposition political parties led by former foreign minister and parliamentarian Roza Otunbayeva. In June 2010, ethnic violence and mass displacements in the southern part of the country highlighted the need for immediate and targeted assistance to address emerging sources of instability and conflict.

Given this window of opportunity, the U.S. Government was able to further demonstrate its support of democracy in the Kyrgyz Republic by assisting efforts aimed at promoting transparent, accountable and effective governance at both the national and local levels. Over the recently concluded first year of the program (May 2010 – May 2011), OTI's fast and flexible mechanism has proven effective in mitigating the potential for conflict in volatile communities and bringing about positive change in governance. Through community mobilization, leveraging of public and private resources and building critical partnerships, OTI has responded to ongoing and emerging needs during this period of transition in the Kyrgyz Republic.

With presidential elections scheduled to occur in October 2011, the current period offers a critical chance to help the people of the Kyrgyz Republic consolidate democratic governance and ensure social and political stability for the future.

2. ACTIVITIES

COUNTRY OBJECTIVES

The USAID/OTI program in the Kyrgyz Republic is supporting the country's efforts to establish a more stable and secure democracy. It provides small grants to civil society, government, and private sector partners to implement high-impact, short-term projects in volatile communities. This targeted assistance supports an ongoing democratic political transition, while addressing emerging sources of instability and drivers of conflict at national and community levels. USAID/OTI's model is designed to be fast, flexible and responsive to a dynamic and changing environment. It allows partners to implement pilot initiatives and catalytic projects to help build momentum for continued long-term development. Activities are generated to encourage democratic processes and build trust both within communities and between citizens and government during the critical period of transition. Activities also serve to leverage other donor efforts, both existing and planned.

Specific program objectives include 1) Mitigate conflict and 2) Improve governance.

MITIGATE CONFLICT

OTI supports conflict mitigation between groups by responding to ongoing and emerging sources of instability and tensions within communities. OTI engages marginalized and volatile communities that are prone to conflict. A small grants mechanism supports a variety of activities, including supporting small-scale community-driven infrastructure rehabilitation and increasing short-term income and employment opportunities. OTI also supports media initiatives that increase access to reliable information and activities that expand community dialogue to enhance respect for pluralism and tolerance.

IMPROVE GOVERNANCE

OTI supports inclusive, responsive and transparent governance at national and local levels, while increasing the ability of citizens and communities to engage constructively in democratic processes. OTI makes available technical assistance and equipment to help restore critical government functions and services vital to community peace and stability. Supporting these public services helps restore trust between government and constituents. OTI also supports strategic communication efforts and media initiatives that improve citizen access to public information in order to facilitate informed decision-making.

3. COUNTRY SITUATION

A YEAR IN RETROSPECT

In April 2010, civil disturbances in the capital, Bishkek, led to the ouster of President Kurmanbek Bakiyev. An ad hoc coalition of opposition leaders assumed power, led by former Foreign Affairs Minister Roza Otunbaeva. The Kyrgyz Provisional Government (KPG) instituted a number of amendments to the constitution, transforming the governance structures from a presidential system to a parliamentary system.

The OTI program was launched in May, working closely with the KPG to support the emerging needs of the host government. During the first year of operations in the Kyrgyz Republic, OTI worked in an environment of political turbulence, generalized fears and threats of violence. Just two weeks before a constitutional referendum on June 27, 2010, an inter-ethnic conflict erupted in the south, leaving thousands displaced, dead or missing and causing massive damage to administrative and community infrastructure.

In the run-up to parliamentary elections in October 2010, OTI geared its activities towards government and civil society efforts to increase citizen participation in decision-making processes, mitigate conflict at the national and local levels, and restore critical government functions.

The parliamentary elections went calmly on October 10, legitimizing the constitution and Roza Otunbaeva as the Provisional President until the end of 2011. However, many were surprised when the Ata Jurt party, associated with the Bakiyev's regime, was selected on the greatest number of the ballots. Among the political parties represented in the new parliament were the Ata Jurt party (28 seats), Social Democratic party (SDPK) (26 seats), Ar Namys party (25 seats), Respublika party (23 seats) and Ata Meken party (18 seats). It took several weeks for a ruling coalition to coalesce, eventually including Respublika, SDPK and Ata Jurt. In December, President Otunbaeva approved parliamentary nominations for government and minister positions, and the KPG resigned to make way for the new coalition government.

With the approach of the anniversary of the April 2010 events, widespread anxiety arose in the Kyrgyz Republic about the potential for uprisings and violence. An internet-based survey, conducted in March by 24.kg Information Agency, revealed that more than 75% of 538 respondents expected mass riots in the spring. 23% expected another "people's revolution" to take place if the government failed to take action, and nearly 21% predicted that power would soon change hands again. 30% of respondents thought that paid participants would be involved in committing upcoming violence.

Controversy has also recently surrounded First Vice Prime Minister and Respublika party leader Omurbek Babanov over accusations of corruption and abuse of power. On April 14, Babanov agreed to a temporary resignation from office for one month in connection with the formation of a parliamentary commission to study the validity of the accusations. In late May, Babanov returned to office when the accusations were unsubstantiated.

INTERNAL SECURITY

In the past twelve months, the security situation in the Kyrgyz Republic has been marked by periods of intense instability and a long-standing sense of tension among the general populace, stoked by rumors and speculation. OTI received valuable input through security advisory services provided by Pax Mondial while also adhering to US Embassy and USAID security policies and guidelines. Initially, OTI established temporary offices in the Hyatt Regency in Bishkek, before moving into an office building just south of the central business/government district in Bishkek in mid-June. This allowed OTI to establish an appropriate level of security by hiring a local security provider for around-the-clock guard services.

Throughout the summer and fall of 2010, the air was filled with rumors and fear of potential riots and violence. The planned deployment of a Police Advisory Group from the Organization for Security and Cooperation in Europe (OSCE) raised a wave of strong opposition, on the grounds that the international security force would interfere with Kyrgyz domestic affairs, which would in turn escalate the conflict and reinforce separatist movements in the south. U.S. President Barack Obama urged President Otunbaeva to approve the deployment of the OSCE police officers in order to prevent renewed violence. Bowing to domestic pressure, Otunbaeva postponed a decision on mobilizing the security forces and ultimately they were not mobilized.

The head of the nationalist Meken Tuu (Flag of the Fatherland) party, Urmat Baryktabasov, allegedly attempted to overthrow the Provisional Government in early August 2010. This event and his subsequent arrest (along with 14 of his supporters) sparked another wave of rioting, though much more limited than the April revolution or June events. In late March 2011, 28 parliamentarians appealed to the court to release Urmat Baryktabasov from custody, due to medical conditions. In early April, the public prosecutor demanded an 18-year prison sentence for Baryktabasov, which in turn set off another round of demonstrations by his supporters in front of Kyrgyzstan's White House. On April 27, Pervomay rayon court of Bishkek reduced his sentence to four years for the unlawful acquisition, transfer, and distribution of weapons and ammunition; Baryktabasov is appealing this decision.

During the last quarter of 2010 the security situation was challenged by terrorist threats: according to the State National Security Service of Kyrgyzstan, 33 terrorist attempts were detected in Bishkek, Osh and Osh Oblast in the month of November alone. On November 29, Kyrgyz Special Forces raided a suspected extremist's house in Osh, accompanied by gunshots and explosions, leading to panic and anxiety. The following morning a small explosion near the Sports Palace in Bishkek took place, allegedly an act of political disruption to demonstrate that the threats were real and that security remained unstable. At the time, the Sports Palace was the venue for trials for people alleged to be involved in shooting demonstrators during the revolution. In December, security forces said that they found a grenade, ammunition, and extremist religious leaflets in Kara-Suu rayon of Osh Oblast.

OTI remained cognizant of the developing political situation and maintained a low-key operational profile where needed. Vigilance on all security-related issues became a standard element of OTI's operations, particularly in the south. In May, the EITR TV Company broadcast a video criticizing USAID's billboards in Osh, questioning the information displayed. The billboards were a part of the overall USAID information campaign capturing important milestones in USAID assistance to Kyrgyzstan. As a result, OTI made a decision to cancel an additional billboard campaign in Osh as part of an ongoing activity with Aga Khan.

In Osh, the security situation was volatile throughout much of the past year, and tensions between ethnic Uzbek and Kyrgyz populations endured. In late February and March, the country followed news surrounding the murder of the deputy head of the district tax department in Nookat, allegedly ordered by an ethnic Uzbek businessman who was hiding in Uzbekistan. This infuriated the ethnic Kyrgyz residents of Nookat, who demanded the capture of the suspect and burned down a house that belonged to him. At the same time, Uzbek community leaders expressed worry and concern to the Mayor of Osh about the safety and security of Uzbek citizens living in the south, reporting that in December several Uzbek females were kidnapped, beaten and raped.

As the anniversary of the 2010 crisis approached, public dissatisfaction with the current government and parliament increased along with perceptions that politicians' promises were not kept. According to Dinara Oshurahunova, head of the Coalition "For Democracy and Civil Society," communities in the south remain frustrated that the organizers of the June 2010 unrest have not been punished. A survey conducted by the coalition revealed a desire among the public that stricter measures be taken against those who display nationalism, particularly politicians and government officials.

UPCOMING EVENTS

The following events will potentially influence OTI programming in the coming program year (May 2011 – May 2012):

- Presidential elections are scheduled to take place in October 2011, with significant implications for the political situation in the country as well as OTI's programming.
- Kyrgyzstan's entrance into a customs union with Russia, Kazakhstan and Belarus has the potential to influence OTI's programming. OTI's fast and flexible mechanism may be of use to the government and civil society players in mitigating the potential for protest arising from the terms and conditions of the customs union.
- OTI's planned launch of the Mobile Accord application will create new dimensions to OTI's programming in Kyrgyzstan. When installed, the Mobile Accord tools will provide a suite of functions to the public via mobile phones. Mobile users can easily create Short Message Service (SMS, i.e. text messaging) communication groups, giving new channels of outreach to any program or civil society group. Functions to carry out mobile-based polling and funds transfers will also give new capacities to programs that attempt to reach out across citizenry and increase the spread of information and the collection of public feedback.

4. GRANTS SUMMARY

Between May 7, 2010 and May 31, 2011, OTI, through its implementing partner International Resources Group (IRG), funded 132 small grants totaling \$7,934,787. The funding by sector breakdown is shown in the following table.

Grant components	Number of Cleared Grants (QR I)	Number of Cleared Grants (QR II)	Number of Cleared Grants (QR III)	Number of Cleared Grants (QR IV)	Number of Cleared Grants (April 1, 2011-May 31, 2011)	Number of Cleared Grants (total to date)
Mitigate Conflict	2	27	27	24	18	98
Improve Governance	2	11	8	4	9	34
Total grants	4	38	35	28	27	132

Grant components	Grant Amounts (QR I)	Grant Amounts (QR II)	Grant Amounts (QR III)	Grant Amounts (QR IV)	Grant Amounts (April 1, 2011-May 31, 2011)	Grant Amounts (total to date)
Mitigate Conflict	\$35,360	\$798,880	\$2,110,693	\$1,603,625	\$1,481,423	\$6,029,981
Improve Governance	\$28,202	\$570,978	\$377,466	\$306,189	\$621,971	\$1,904,806
Total grants	\$63,562	\$1,369,858	\$2,488,159	\$1,909,814	\$2,103,394	\$7,934,787

5. HIGHLIGHTS

During its first year of operations in the Kyrgyz Republic, OTI reassessed and adjusted its program objectives and methodology a number of times to meet the developing political situation and the emerging needs of the host country. Throughout the year, OTI increased its visibility in the donor arena, leveraging more public and private partnerships among local and international organizations.

During the project start-up phase in the months immediately following the April and June events, OTI was immersed in both the development of programming initiatives and the complexities of establishing an operational presence based in Bishkek. In the fall, the program then launched a satellite office in Osh and elaborated a portfolio of activities oriented towards Southern Kyrgyzstan.

On the program side, the challenging and volatile environment required responsiveness and flexibility to begin supporting stabilization and confidence-building activities. Following the looting and destruction to public buildings and areas in April and June, OTI concentrated on assisting the national government in restoring its critical functions. Sixteen grants totaling \$637,096 provided equipment and furniture to the government to help the President's Office and newly established agencies such as the Ministry of Youth and Offices of Reconstruction & Reconciliation in Osh, Bishkek and Jalalabad.

The June events in Osh also changed the initial focus of the program and put a heavy focus on reconciliation and conflict mitigation efforts within multi-ethnic communities. OTI's activities served as a platform for ethnic Uzbek and Kyrgyz communities to interact constructively and overcome their fears and distrust.

The following activities from the first program year showcase some of the most successful examples of OTI's assistance in the Kyrgyz Republic.

MITIGATE CONFLICT

The events of April 2010 demonstrated how limited access to resources can shape popular behaviors and attitudes. Youth from marginalized communities around Bishkek were incited to participate in the mass destruction and looting in Bishkek. As OTI developed its programming, it focused on these youth and communities, working with an array of partners to bring about positive changes and build people's trust in democratic governance. Partnerships with the Peace Corps and the Hyatt Regency Bishkek have

helped local government entities and community leaders to discuss local issues of concern and identify priorities. As a result of such dialogue and community participation in decision making processes, OTI rehabilitated six schools



This dilapidated wall conduit demonstrates the poor condition of the Krasnaya Rechka's primary school prior to rehabilitation by OTI.

and orphanages in Chuy and Issyk-Kol oblasts. These activities **(BIS096 through BIS100: total budget \$320,732; BIS114 and BIS144: total budget \$203,610)** addressed ongoing or potential sources of conflict in these communities and contributed to the local economy through hiring of labor and purchase of materials. In addition, BIS144 provided temporary employment opportunities to 150 unemployed youth from Krasnaya Rechka village by engaging them in pre-reconstruction activities in the orphanage.



Ethnic Uzbek and Kyrgyz men and women clean up Delfin Park in Osh in September 2010

Since May 2010, OTI has conducted 24 community mobilization activities with cash-for-work components as a way to provide youth with tools and incentives to engage constructively in their communities. These activities provided temporary employment opportunities to nearly 4,200 people across the country who earned \$459,360 by helping to clean up community spaces. In Osh, cash-for-work activities helped people reconstruct their environments while promoting tolerance and community cohesion. Through these activities, people of different ethnicities were able to come together for the first time after the violence and overcome distrust through joint work.

OTI has also worked closely with indigenous arts groups such as the Barpy Drama Theater in Jalalabad (**OSH040 “Building Peace and Tolerance through Performing Arts”; \$167,616.17**) to help promote peace and tolerance through a locally produced drama performance called “Neighbors.” Set among three remote villages, the play uses multiethnic characters, representative of Kyrgyzstan’s nationalities, in a series of comedic scenarios to illustrate how local inter-ethnic tensions can create conflict that impacts neighboring communities. The original playwright designed “Neighbors” to educate audience members on the significance of conflict resolution, social cohesion, and community harmony. This \$167,616 grant activity will provide both in-kind rehabilitation support to restore the Barpy Drama Theater and organizational resources to launch the production of “Neighbors” throughout the Jalal-Abad oblast.



Design for the background of the stage shows ethnic art works as a sign of interethnic unity.

More recently, the U.S. Government, through OTI, has partnered with the Russian Consulate and the State Directorate for Reconstruction and Development (SDRD) to rehabilitate the Youth Sports Center in Osh (**OSH039 “Building Community Cohesion Through Infrastructure Repair: Delfin Sports Complex”; \$127,285**). A memorandum of understanding between the three partners was recently signed to initiate the project. This unique partnership to refurbish one of Osh’s largest sports facilities, known as Delfin, will provide a safe environment for inter-ethnic youth to interact positively. In the aftermath of the civil disturbances in June 2010, the lack of resources for improving community facilities like Delfin has jeopardized unity among Osh’s multi-ethnic community. To address this, the three partners are each contributing funds to rehabilitate two sports gyms, locker rooms, showers, two tennis courts, and the administrative building.

IMPROVE GOVERNANCE

The latest activities with the national government provided critical support to the newly established Parliament of the Kyrgyz Republic. Through **BIS103 Restoring Critical Government Functions Equipment to Parliament Legal Department (\$43,989)** and **BIS104 Restoring Critical Government Functions Equipment to Parliament HR Department (\$10,277)**, OTI was able to

demonstrate its continued support to the national government in restoring its functions and improving governance by providing essential equipment. Leveraging U.S. Government resources through the ongoing USAID Kyrgyzstan Parliamentary Strengthening Program (KPSP), these activities maximized the effect of overall USG assistance to Kyrgyzstan. In addition to refurbishing two rooms of the White House in 2010 and providing equipment to the Parliament worth nearly \$300,000 through OTI since May 2010, these activities provided a platform for the KPSP to further engage with the Parliament in designing activities which improve its operations, public outreach and legislative oversight. These two well-functioning bodies of the Parliament are critical in contributing to the country's stability and peace.

More recently, OTI built important partnerships with local and international stakeholders through the Eurasia Foundation Central Asia (EFCA) and the Agency for Social Technologies (AST) to help improve local government practices and transparency in budgeting and spending. Leveraging equivalent funds from the World Bank and OTI totaling over \$400,000, EFCA (**BIS141**) will train 1,266 local government officials and civil society representatives from 197 communities in transparent and inclusive budgeting. Additionally, it will hold transparent public budget hearings in 397 communities providing an opportunity for local government and civil society representatives to increase the inclusiveness of the local budgeting process. This activity exemplifies coordination of efforts between OTI and USAID's long-term projects, such as the Local Development Program (LDP) that will provide technical expertise and recommendations on training curriculum. At the same time, OTI has enabled AST (**BIS145**) to train 25 Public Advisory Boards established by President Otunbaeva under national Ministries and State Agencies. PABs are to improve the engagement of state institutions with their constituencies, to increase the transparency of budgeting and spending, as well as to jointly address emerging priorities.



US Ambassador Gfoeller and Vice Speaker of the Parliament sign grant agreements on January 24, 2011.



Youth take exams at the refurbished REO office in Osh.

Following the June events of last year, OTI provided critical support to the national and local government entities in Osh and Jalalabad in restoring services to multi-ethnic communities. A successful grant activity with Osh's Registration and Exam Office was further replicated in Jalalabad. The two activities (**OSH019 and OSH026**) provided **\$36,500** worth of equipment and licensed software bolstering REO's technical capacity to administer drivers' license examination and vehicle registration in a responsive,

6. PROGRAM APPRAISAL

Close to the end of the first year of the Kyrgyz Republic Transition Initiative, OTI conducted a Management Review (MR) and a Peer Performance Review (PPR) to gauge the effectiveness of the program and seek recommendations on improvement. The MR generated positive feedback from the U.S. Embassy, USAID, donor organizations and local partners, in recognition of the program's successes to date at helping to mitigate conflict and improve government services to people in the aftermath of the April and June events of last year. The review also identified potential areas for improvement, as detailed in the final report.

The PPR team shared its initial feedback and recommendations with the entire staff on May 20. Overall, the feedback was positive and demonstrated that the OTI program was relevant within the current context leading up to the Presidential elections scheduled for October 2011.

Throughout the year, OTI paid significant attention to staff capacity building and enlisted the support of a number of short-term consultants to assist with training, mentoring and developing tools. On October 13-15, 2010, OTI conducted the first staff orientation training in Bishkek, giving both the Bishkek and Osh teams an opportunity to meet and discuss administrative and programmatic issues. The first Strategy Review Session (SRS), with USAID, OTI, IRG and KRTI staff was held on October 25-28, 2010. The objectives of the SRS were to:

- Create a shared understanding of the program's mission and strategy for the next 3-6 months;
- Identify and discussing key challenges facing the program; and
- Foster the development of a cohesive team.

The SRS also provided an opportunity for the team to acquire a better understanding of OTI's working principles, discuss lessons learned from completed activities, and analyze critical events and windows of opportunity.

In the first year of the program, OTI also conducted two Rolling Assessments. The first assessment was held in the summer of 2010 and included only the Bishkek program staff. The second assessment included both the Bishkek and Osh program teams and was conducted in two parts: On January 26-28, 2011 in Bishkek, the staff examined emerging sources of instability in the period since the October 2010 SRS; then on February 16- 17 in Osh, OTI further reviewed the assumptions developed earlier in Bishkek. The follow-on exercise was designed to develop clusters from problem hypotheses, and to identify additional outputs and impact indicators for clusters. OTI presented a draft M&E plan that would help bridge the gap between the activity and program levels (output vs. impact) and operationalize OTI's learning culture to the activity level. Evaluation site visits to several projects allowed testing of the activity evaluation form. These evaluations were later incorporated into the database to test the validity of the template and the M&E systems being put in place for the project.

SOCIAL MEDIA

A critical direction that OTI has pursued in the last several months is to support media initiatives that increase access to reliable information and expand community dialogue. Building on a previous partnership with Mobile Accord, OTI assessed the feasibility of introducing a modern mobile social networking platform. This mechanism would allow citizens and government entities to share information and discussion by means of mobile messaging, helping to reduce tensions and mitigate against the spread of rumors and false misinformation. The Mobile Accord assessment team (**grants: BIS116, BIS130; total value \$42,626**) conducted interviews with a wide variety of actors in the commercial, regulatory, government and NGO communities regarding the potential use of SMS and internet-based communications to create social networks. Information gathered through these interviews will allow Mobile Accord to provide OTI with final recommendations concerning the launch of its platform in the Kyrgyz Republic.

7. PROBLEMS ENCOUNTERED AND REMEDIAL ACTIONS

Over the last year, OTI implemented more than 130 activities in the Kyrgyz Republic. These activities aimed to mitigate conflict in vulnerable communities and improve governance at the national and local levels. The program faced a number of implementation challenges along the way. This section outlines some of the key challenges and the measures taken to help address them.

CASH-FOR-WORK ACTIVITIES

KRTI staff are sensitive to the ever-evolving political situation while ensuring that program activities are ethnically inclusive and politically neutral. Cash-for-work provided an opportunity during the first year of the program to rebuild trust between multi-ethnic communities, support family incomes through temporary employment and engage vulnerable populations in constructive activities. However, cash-for-work also presented administrative challenges. Based upon lessons learned under BIS118 and other activities, OTI decided to outsource cash-for-work components to local companies, thereby maximizing the effective use of staff time.

Prior to and during the Peer Performance Review, OTI conducted a more thorough analysis of whether this component was likely to add value in future programming. The analysis showed that cash-for-work added more value in Osh, and that local companies in Osh were willing to perform administrative tasks associated with recruiting workers and processing their payment. In Bishkek, OTI's banking service provider KICB refused to administer payments for cash-for-workers following experiences with two grant activities. Public solicitation also showed that there was little interest in the local market to administer this component on a large scale. Therefore, as recommended by the PPR team, OTI will use the cash-for-work mechanism sparingly and will outsource it to local partners when it is used.

LINES OF COMMUNICATION AND REPORTING

During the start-up phase, project management sketched out matrices for lines of communication and reporting to minimize confusion among staff. In August-September 2010, an organizational chart was introduced to staff, illustrating the proper lines of reporting and communication among the project's various departments. Unfortunately, communication was found to be a persistent source of confusion and uncertainty at the SRS in October 2010. The management team subsequently worked with the project staff in Bishkek and Osh to address some of those misunderstandings and further clarify lines of reporting and communication. A communications protocol was drafted and shared with the broader team to help improve communication channels. Additionally, IRG drafted a

roles and responsibility matrix designed to clearly articulate individuals for both the local staff and OTI.

Another challenge at the start of the program was to streamline communication between the project's procurement department and grantees to ensure transparency of tender processes and to protect procurement processes from attempted influence by grantees. The team created a Grants Management unit in November 2010, which helped improve the grant implementation processes by making the Grant Managers the primary contacts for grantees. This has allowed the Grants Managers to focus on all implementation issues with grantees, while the Procurement Unit solely concentrated on working with vendors in accordance with processes and regulations set forth.

STAFF TURNOVER

Since the start of the OTI program in May 2010, the project has seen a significant rate of staff turnover. IRG and OTI have collaborated to assess the performance of individual staff members and make the corresponding staffing moves, as needed. In some cases, individuals have been replaced when their performance did not align with expectations.

Prior to the arrival of the USAID/OTI Country Representative and the Deputy Country Representative, OTI deployed a number of short-term consultants that brought distinct experiences and visions to the design of the program. This led to some confusion among staff who found it difficult to adjust to conflicting guidance, and some of these staff members opted to leave the project as a result.

Towards the winter of 2010-2011, OTI offices in Osh and Bishkek were fully staffed, clearing the way for further successful activity implementation.

WORKFLOW MANAGEMENT

Throughout the period, improvements to workflow management included the revision of meeting schedules and meeting structure in order to maximize staff time and effort. The initial daily staff meetings in the first several months were changed to weekly, and then biweekly, as the program moved forward. Intradepartmental meetings were introduced to allow for internal discussion of ongoing issues and lessons, and program meetings evolved so that concept and implementation meetings were merged and split between Osh and Bishkek offices. OTI and IRG senior management met on a weekly basis to touch on big-picture, ongoing, and emerging issues, and project management staff meetings allowed internal news and issues to be addressed as they arose. This open and flexible approach to meetings management was used to streamline the workflow and communication to the benefit of all phases of the program.

8. NEXT STEPS

Recommended priorities for the second year of the program (May 7, 2011 – May 6, 2012) include the following:

- Continue leveraging resources among public and private partners, both local and international, to close existing gaps in U.S. Government's development efforts in the Kyrgyz Republic and create new entry points for OTI;
- Continue to support community and government initiatives to mitigate conflict and improve governance, seizing critical opportunities before, during and after the Presidential Elections and entrance to the Customs Union;
- Continue to utilize social media platforms to maximize program impact;
- Develop activities based on research conducted in Year 1; and
- Communicate an effective Year 2 strategy with regard to program implementation and close out.

9. ADMINISTRATIVE UPDATE

At the beginning of the second year of KRTI, the program is taking stock of progress made over the first year and ensuring that operational functions and processes will maximize impact over the remaining months of the program. With that purpose in mind, there are a number of areas that operational and administrative staff are working on to ensure successful activity implementation.

STAFF RECRUITMENT AND RETENTION

In order to respond to changing program needs and priorities, as well as occasional staff departures, general recruitment for staff positions is being restarted to ensure that KRTI remains fully staffed through the remainder of the program. Should vacancies arise or additional positions emerge, there will be a pre-screened list of candidates that can be reviewed to identify potential qualified candidates immediately. In addition, one of the critical issues for discussion as close out planning begins will be retention and placement assistance for staff.

SHORT TERM TECHNICAL ASSISTANCE

Throughout the program's first year, OTI was able to leverage the expertise of several seasoned short-term technical assistance consultants, including Laurie Pierce, Bavani Shanmuganathan, Marion Silverthorne and Eric Stephan. These consultants and others helped to build capacity among the local staff, train new expatriate staff in OTI and USAID best practices and regulations, and support the launch of key activities and initiatives. These and other consultants, including IRG home office staff, can be accessed to continue to shape remaining initiatives and provide programmatic and operational support during the remaining months of implementation. They can help provide coverage while expatriate staff are on leave and eventually during the closeout phase.

INVENTORY

As the first year of program implementation drew to a close, staff initiated an inventory review to ensure that all items procured for operational support purposes are accounted for and in good condition. This inventory will be a key piece of information as staff begin to prepare for closeout planning.

QUALITY CONTROL AND MONITORING ON REHABILITATION WORKS

In order to ensure that rehabilitation and other technical works procured through program activities are high-quality, OTI is now drawing on additional engineering support expertise through a short-term arrangement with Sheladia Associates, a firm with extensive experience in USAID-funded rehabilitation and infrastructure projects throughout the world, and through short-term

assistance provided by a locally-based Third Country National (TCN), Alnoor Hirani. With their expert support, procurement staff will closely evaluate ongoing and future rehabilitation works to confirm that work is done well by local vendors and that necessary changes are made when and if issues are discovered during final inspection. These technical experts will also provide training to procurement staff to help spot 'red flags' during site visits while rehabilitation works are underway to correct any potential problems before works are completed by the vendor.

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